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Indochina: Hanoi is putting together a new political front for all of Indochina to help justify increased North Vietnamese involvement throughout the area.

Politburo member Truong Chinh stated in a speech on 21 April celebrating the Lenin centennial that "the three Indochinese countries have formed the Indochinese United Front Against the US Imperialists."

One of the stated purposes of the new front, which would include representatives of the Viet Cong, Pathet Lao, and North Vietnamese in addition to Sihanouk's faction, is to topple the Lon Nol government.

The Communists have sought in the past to establish publicly the concept of common interest among the various parts of Indochina, but their efforts were stymied because Sihanouk would not join any bloc so long as he ruled an ostensibly neutral Cambodia. Now that Sihanouk's future seems to be tied to the Communists, Hanoi has moved quickly to resurrect the idea. Although no details of the organization have been released, Sihanouk may be given a very prominent role. In a statement made on 21 April in Peking, he referred to the prospect of joint action by three of the national elements that make up the new front.

The formation of the front coincides with increased international attention to consultations on Indochina. Hanoi has been publicly cool to such consultations, and Truong Chinh indicated that at least initially the new front would work in support of the political programs already tabled for the three countries by their pro-Communist factions—the five points of the Lao Patriotic Front, Sihanouk's five-point proclamation of 23 March, and by implication the ten points of the Viet Cong.

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Romania-Turkey: The Romanians were cordial last week to visiting Turkish President Sunay, but outside the economic sphere achieved little of substance for their efforts.

Sunay was returning Ceausescu's visit to Turkey last year. He was the first Turkish head of state to visit Romania since World War II, and his visit signified the two nations' relatively friendly state of relations. The Romanians probably had hoped to get an endorsement from Sunay on two favorite issues: their recent offer to hold a preparatory meeting on European security in Bucharest, and their proposal at the Geneva convention for a world-wide disarmament treaty. The Romanians wanted a treaty to include a ban on all military maneuvers on foreign soil and a provision for a nuclear-free zone in the Balkans.

| The Turks had made clear | 25X1 |
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| however, that they considered | |
| such proposals premature, and Sunay failed to re- | |
| spond to the idea of a nuclear-free zone during the | |
| visit. Moreover, the reference in the communiqué | |
| to the need for a "well-prepared" conference on | |
| European security stuck close to the NATO language, | |
| presumably at Turkish insistence. | 25X1 |

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*Trinidad: The government appears to have temporarily stabilized the security situation.

About 30 of the mutinous regimental troops reportedly surrendered to loyal forces yesterday north of the capital. In Port of Spain the police generally maintained control, despite being hard pressed at times by roving bands of looters and arsonists. Threatened labor strikes failed to materialize, although most businesses closed for the day. Three persons have been reported killed in the sporadic disorders and a dusk-to-dawn curfew was again imposed.

The government apparently hopes to strengthen its hand before dealing with the still undetermined number of troops holding out in the Teteron Bay area north of Port of Spain. Small arms and ammunition purchased from the US arrived in Trinidad last night. The government also has requested assistance from several Caribbean nations, and nearby Venezuela reportedly readied some air force and navy units for possible assistance. US and UK ships are being stationed offshore for possible evacuation of foreign citizens.

The administration twice postponed meetings with the rebel faction in a play for time before reportedly opening negotiations yesterday afternoon. A rebel spokesman indicated the mutineers had put forward certain proposals, but refused to elaborate.

^{*}Because of the shortage of time for preparation of this item, the analytic interpretation presented here has been produced by the Central Intelligence Agency without the participation of the Bureau of Intelligence and Research, Department of State.

Colombia: The state of siege imposed Tuesday night appears to have had a dampening effect on the demonstrations.

The military is in full control of the situa-

tion at present, but large-scale violence could erupt following the announcement of final returns on Sunday 。 Rojas has considerable support and it is possible that soldiers in the streets will refuse to obey if ordered to stop large-scale Rojas demonstrations, especially if the use of weapons is required。

National Front candidate Pastrana now leads by some 50,000 votes, seemingly a conclusive margin. Ex-dictator Rojas has exhorted his followers to take

President Lleras, however, probably will take prompt and forceful action to preserve public order.

to the streets in an effort to force the government

to declare him the winner.

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Argentina: Isolated acts of violence could occur during a 24-hour general strike today.

Leaders of the Argentine Confederation of Workers have emphasized the "passive" nature of the strike and their desire to avoid a confrontation with President Ongania or the military. Nonetheless, some leftist extremists may attempt to use the occasion to provoke clashes with police in provincial cities.

In Cordoba, the scene of serious disorders last year, "worker-action" groups reportedly are being formed to foment street disturbances. Similarly, a splinter labor group led by radical Peronist Raimundo Ongaro has urged students, radical priests, and others to take to the streets in support of strikers demands for increased benefits.

Gold Market: Rising gold prices on the free market are expected to be checked by South African sales.

As long as the price stood at \$35 or below, South Africa, the world's largest gold producer, was able under international understandings to avoid free market sales and sell to monetary authorities, primarily the International Monetary Fund. The South African action was partly for political purposes related to its parliamentary elections yesterday.

With the recent spurt in gold prices, which reached \$35.95 on the London market yesterday, South African sales are now required to be made on the free market. Faced with what appears to be a record \$1.5 billion deficit in its balance of payments for 1970, South Africa cannot long avoid making such sales.

| | banks had also contributed to the recent |
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| price rise | by limiting their gold sales on the free |
| market | |
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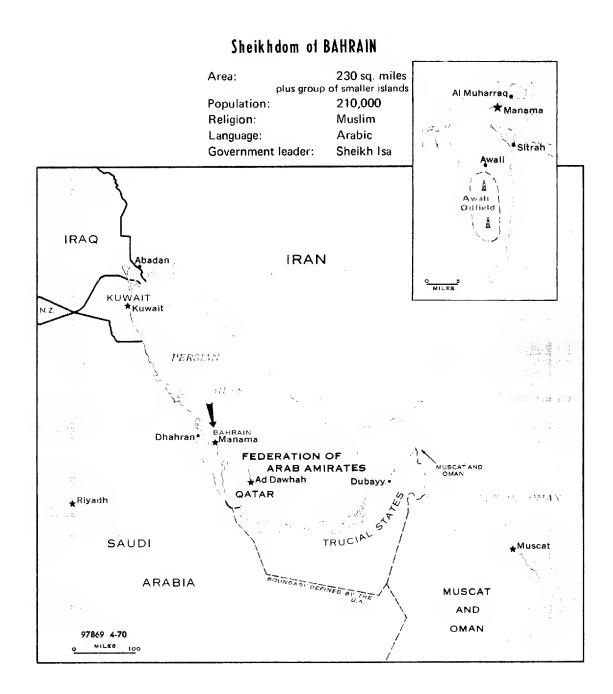
European Communities: Growing criticism by the US and others of preferential trade agreements negotiated by the EC has begun to spark Community concern.

In a paper for the EC Council, the Commission notes that the Communities have failed to justify the agreements to their critics and also recommends some policy changes. The Commission suggests that the Communities gradually de-emphasize the granting of tariff benefits and begin to emphasize financial and technical assistance to less-developed nations. It also suggests that some of the underdeveloped countries could be given expanded markets for their key products if the Communities gave them tariff concessions that were extended to all producers of such products.

Some of the criticism of the EC agreements has come from members of the General Agreement on Tariffs and Trade (GATT). Since the Communities concluded preferential trade agreements with GATT members Morocco and Tunisia last summer, some of the other GATT countries have increased their claims that these agreements violate basic GATT principles. The Communities are about to put finishing touches on preferential agreements with Spain and Israel, and this type of criticism may thus be heightened.

The EC also has been considering similar agreements with some Arab and Latin American states. This may have sparked GATT Director General Long's recent suggestion that the EC intends to build a giant preferential trade bloc.

| The GATT Council will consider the agreements |
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| with Morocco and Tunisia on 28 April. It is not yet |
| certain how the Commission's proposals might influ- |
| ence these deliberations or what the internal EC re- |
| action will be to the proposals. |



NOTE

Iran-Bahrain: The problem of settling Iran's traditional claims of hegemony over Bahrain appears well on the way to solution. A UN-sponsored report, presumably announcing the Bahraini desire for independence, will be circulated as a Security Council document about 1 May, with the Council expected to approve it about two weeks later. After this, Bahrain will probably be declared independent. This is likely to arouse little public furor in Iran, where the press and the Senate have recently been propagandizing the Shah's desire for Bahraini self-determination.

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